

## College and Universities

### General Fund Comparison to State Budget

<b>Fiscal Year</b>	<b>State Budget</b>	<b>% Chg</b>	<b>Higher Education</b>	<b>% Chg</b>	<b>% of Higher Education to State Budget</b>	<b>Fall Enrollment FTE*</b>	<b>% Chg</b>
1987	622,435,100	7.2%	90,402,500	5.6%	14.5%	19,629	(0.5%)
1988	658,870,000	5.9%	101,518,100	12.3%	15.4%	20,602	4.9%
1989	699,236,100	6.1%	106,445,700	4.9%	15.2%	21,639	4.6%
1990	784,505,700	12.2%	114,438,700	7.5%	14.6%	23,075	6.8%
1991	911,749,600	16.2%	132,946,900	16.2%	14.6%	24,729	8.2%
1992	996,243,100	9.3%	141,624,800	6.5%	14.2%	26,431	6.4%
1993	1,025,859,900	3.0%	137,638,400	(2.8%)	13.4%	28,067	5.8%
1994	1,098,360,700	7.1%	145,923,500	6.0%	13.3%	28,501	1.8%
1995	1,268,128,600	15.5%	162,862,600	11.6%	12.8%	28,941	2.6%
1996	1,337,541,800	5.5%	169,341,400	4.0%	12.7%	29,185	(0.5%)
1997	1,391,773,100	4.1%	173,451,700	2.4%	12.5%	29,174	(1.3%)
1998	1,446,401,100	3.9%	178,413,700	2.9%	12.3%	29,026	(0.0%)
1999	1,609,676,100	11.3%	193,134,300	8.3%	12.0%	29,556	2.4%
2000	1,679,768,900	4.4%	202,726,900	5.0%	12.1%	30,165	1.6%
2001	1,828,502,900	8.9%	212,306,100	4.7%	11.6%	30,805	2.3%
2002	1,979,451,500	8.3%	229,723,600	8.2%	11.6%	32,332	3.8%
2003	1,925,457,700	(2.7%)	213,558,800	(7.0%)	11.1%	34,916	0.9%
2004	1,987,198,800	3.2%	218,000,000	2.1%	11.0%	34,965	3.9%
2005	2,107,100,000	6.0%	223,336,200	2.4%	10.6%	<i>not available</i>	
<b>Average Annual Change</b>		<b>7.1%</b>		<b>5.3%</b>			<b>3.0%</b>

\* FTE represents Full-Time Equivalent Students.

Source: Office of the State Board of Education

The average annual growth rate in state General Fund appropriations for Higher Education from 1987 to 2005 has been 5.3%. Higher education enrollment, as measured by both full-time equivalent students and headcount, has grown about 3.0% annually during this same time period.

In fiscal year 1987, Higher Education received about 14.5% of the state's General Fund budget. Today, twenty years later, that proportion has dropped to about 10.6%. In today's dollars each percentage point is equal to about \$20 million.

To see a 20-year side-by-side comparison of all major components of state government, and how each segment has changed over the years in terms of their proportion of the General Fund, refer to page 28.

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Analyst: Youtz

## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2005 Original Appropriation</b>	<b>3,631.55</b>	<b>223,366,200</b>	<b>341,294,500</b>	<b>3,631.55</b>	<b>223,366,200</b>	<b>341,294,500</b>
Reappropriations	0.00	51,800	37,110,400	0.00	51,800	37,110,400
HB 805 One-time 1% Salary Increase	0.00	1,689,800	2,282,100	0.00	1,689,800	2,282,100
1. Occupancy Costs	7.75	1,649,100	1,649,100	7.25	993,100	993,100
Governor's Rescission	0.00	0	0	0.00	(652,000)	(652,000)
Other Approp Adjustments	0.00	0	0	0.00	0	0
<b>FY 2005 Total Appropriation</b>	<b>3,639.30</b>	<b>226,756,900</b>	<b>382,336,100</b>	<b>3,638.80</b>	<b>225,448,900</b>	<b>381,028,100</b>
Non-Cognizable Funds and Transfers	27.50	0	3,752,000	27.50	0	3,752,000
<b>FY 2005 Estimated Expenditures</b>	<b>3,666.80</b>	<b>226,756,900</b>	<b>386,088,100</b>	<b>3,666.30</b>	<b>225,448,900</b>	<b>384,780,100</b>
Removal of One-Time Expenditures	0.00	(1,741,600)	(39,392,500)	0.00	(1,741,600)	(39,392,500)
Base Adjustments	0.00	0	0	0.00	652,000	652,000
<b>FY 2006 Base</b>	<b>3,666.80</b>	<b>225,015,300</b>	<b>346,695,600</b>	<b>3,666.30</b>	<b>224,359,300</b>	<b>346,039,600</b>
Benefit Costs	0.00	2,007,700	2,745,000	0.00	1,554,000	2,124,700
Inflationary Adjustments	0.00	283,800	839,800	0.00	0	0
Non-standard Adjustments	32.63	4,768,900	5,232,400	12.00	4,176,500	4,640,000
Change in Employee Compensation	0.00	1,712,000	2,376,400	0.00	1,712,000	2,376,400
27th Payroll	0.00	3,173,000	4,247,900	0.00	3,173,000	4,247,900
Fund Shifts	0.00	4,951,700	0	0.00	2,773,500	(1,455,600)
<b>FY 2006 Program Maintenance</b>	<b>3,699.43</b>	<b>241,912,400</b>	<b>362,137,100</b>	<b>3,678.30</b>	<b>237,748,300</b>	<b>357,973,000</b>
1. Unfunded Enrollment Workload Adj.	5.00	1,037,800	1,037,800	0.00	0	0
2. Funding Equity	15.00	2,184,000	2,184,000	0.00	0	0
Lump Sum or Other Adjustments	0.00	0	0	0.00	0	0
<b>FY 2006 Total</b>	<b>3,719.43</b>	<b>245,134,200</b>	<b>365,358,900</b>	<b>3,678.30</b>	<b>237,748,300</b>	<b>357,973,000</b>
Change from Original Appropriation	87.88	21,768,000	24,064,400	46.75	14,382,100	16,678,500
% Change from Original Appropriation		9.7%	7.1%		6.4%	4.9%

# College and Universities

## Issues, Terms and Definitions

**Consolidated Appropriation:** Although each of the four year institutions prepare and submit individual budget requests to the State Board of Education, the Board's recommendation to the Governor and the Legislature is a single consolidated budget. The Legislature traditionally has also provided one consolidated appropriation for all four institutions. The Board then distributes that appropriation by formula to each college and university.

**Appropriated Funds:** The Legislature only appropriates about 42% of the funds that support the operating budgets of higher education. General Funds represent about 28% of the total operating budgets, appropriated student fees represent about 12.4%, and endowment earnings represent about 1.5% of the total.

**Non-appropriated Funds:** Operating funds that are not included in the appropriation represent about 58% of the total operating budgets for the four institutions.

**Grants, Gifts and Contracts:** (32% of total operating budgets) These funds include federal grants, private gifts and competitively bid contracts for specific deliverables. Also includes federal direct student loans.

**Auxiliary Enterprises:** (12% of total) These funds are institutional business enterprises such as bookstores, student housing, intercollegiate athletics, student unions, etc.

**Institutional Accounts:** (14% of total) There are literally thousands of typically small activities that charge fees or sell services (e.g. copy machines, research labs, ag sales).

### Student Fees:

**Matriculation Fees:** The fee charged to students for educational costs excluding the cost of instruction (Idaho Code 33-3717). All full-time resident and non-resident students are charged this matriculation fee which can only be used for the maintenance and operation of the institution's physical plant. (restricted fund 0660-00)

**Activity Fees:** All resident and non-resident students are charged a variety of fees, where applicable, including part-time fees, graduate fees, professional fees (law, medicine, architecture, etc.) summer session fees and others. These fees are unrestricted and can be used to support the the primary objectives of the institution for instruction, research, extension, public service and programs that support those objectives. (unrestricted fund 0650-00)

**Tuition:** The only tuition that can be charged is to nonresident students to cover much of the cost of their education. Proceeds are deposited in the unrestricted fund 0650-00. There is a statutory prohibition against charging tuition to resident students (Idaho Code 33-3717).

**Occupancy Costs:** Those costs associated with occupying new major buildings on campus. These costs are calculated by formula and include maintenance (1.5% of construction costs), custodial (1/2 position per 13,000 gross square feet) utility costs (\$1.75 per sq ft.) and other costs associated with IT maintenance, security and safety (\$0.77 per gross sq ft).

**Enrollment Workload Adjustment:** Each year there is a budget request to keep pace with enrollment growth at the four institutions. This "Enrollment Workload Adjustment" is not based on student enrollment per se, but is a calculation based on a three-year rolling average of the increase in credit hours, weighted by course level (lower division, upper division, masters, doctoral and law) and also weighted by discipline.

**Funding Equity:** In 2001, the Legislature prompted the State Board of Education to examine their funding formula for equity of state funding distribution among Idaho's four-year institutions of higher education. Through a consultant, the Board concluded, among other things, that state funds for similar students in similar programs were not distributed equitably between the four schools. Rather than redistribute existing resources, the Board is seeking \$7,920,000 over five years to address "base instructional equity for BSU and ISU, and \$3,000,000 for a "science and technology adjustment", of which 77% would go to UI.

## College and Universities

Selected Measures	FY 2001	FY 2002	FY 2003	FY 2004	Average Annual Chng
<b>1. Fall Academic Enrollment: Full-time Equivalent</b>					
Boise State University	10,872	11,406	12,615	12,607	5.1%
Idaho State University	8,528	8,888	9,189	9,191	2.5%
University of Idaho	9,683	10,223	11,073	11,040	4.5%
Lewis-Clark State College	<u>1,722</u>	<u>1,815</u>	<u>2,039</u>	<u>2,127</u>	<u>7.4%</u>
<b>Total</b>	<b>30,805</b>	<b>32,332</b>	<b>34,916</b>	<b>34,965</b>	<b>4.4%</b>
<b>2. Fall Academic Enrollment: Headcount (full and part time students)</b>					
Boise State University	16,151	16,581	17,245	17,358	2.4%
Idaho State University	12,315	11,935	12,218	12,551	0.7%
University of Idaho	12,067	12,423	12,894	12,824	2.1%
Lewis-Clark State College	<u>2,364</u>	<u>2,363</u>	<u>2,637</u>	<u>2,555</u>	<u>2.8%</u>
<b>Total</b>	<b>42,897</b>	<b>43,302</b>	<b>44,994</b>	<b>45,288</b>	<b>1.8%</b>
<b>3. Annual Undergraduate Resident Student Fees</b>					
Boise State University	\$2,451	\$2,665	\$2,984	\$3,251	9.9%
Idaho State University	\$2,578	2,800	3,136	3,448	10.2%
University of Idaho	\$2,476	2,720	3,044	3,348	10.6%
Lewis-Clark State College	<u>\$2,360</u>	<u>2,550</u>	<u>2,852</u>	<u>3,126</u>	<u>9.8%</u>
<b>Average</b>	<b>\$2,466</b>	<b>\$2,684</b>	<b>\$3,004</b>	<b>\$3,293</b>	<b>10.1%</b>
<b>4. Combined Annual Operating Budgets</b>					
<b>Revenue Sources (original appropriation)</b>					
<b>Appropriated Funds</b>					
State General Fund	\$211,561,700	\$234,939,800	\$213,558,800	\$218,000,000	1.3%
State Endowment Funds	13,011,300	17,501,700	13,756,900	11,964,600	0.0%
Appropriated Student Fees	<u>62,959,700</u>	<u>63,089,600</u>	<u>67,127,300</u>	<u>97,207,800</u>	<u>17.1%</u>
<b>Appropriated sub-total</b>	<b>\$287,532,700</b>	<b>\$315,531,100</b>	<b>\$294,443,000</b>	<b>\$327,172,400</b>	<b>4.7%</b>
<b>Non-appropriated Funds</b>					
Grants, Gifts & Contracts	\$212,281,500	220,759,200	222,808,400	247,652,700	5.4%
Auxiliary Enterprises	41,532,800	52,722,300	82,811,400	91,352,800	31.4%
Institutional Accounts	119,076,400	128,668,900	116,428,000	118,917,900	<u>0.2%</u>
<b>Non-appropriated</b>	<b>\$372,890,700</b>	<b>\$402,150,400</b>	<b>\$422,047,800</b>	<b>\$457,923,400</b>	<b>7.1%</b>
<b>Grand Total all Funds</b>	<b>\$660,423,400</b>	<b>\$717,681,500</b>	<b>\$716,490,800</b>	<b>\$785,095,800</b>	<b>6.0%</b>
<b>Employee FTE</b>	<b>3,525.6</b>	<b>3,677.2</b>	<b>3,552.8</b>	<b>3,590.5</b>	<b>0.7%</b>